GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:781
ANSWERED ON:24.07.2015
Growth of Insurance Sector
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Will the Minister of FINANCE be pleased to state:

(a) whether the insurance sector has registered a substantial growth in the recent past;
(b) if so, the details thereof during the last three years, company-wise;
(c) whether the number of insurance claims have raised during the said period, if so, the details thereof, company-wise; and
(d) the steps taken/being taken by the Government to protect the interest of customers and timely settlement of claims?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)
(a) & (b): The insurance business in India can be categorized into Life, non-life and Health insurance and accordingly the details as provided by Insurance Regulatory and Development Authority of India (IRDAI) are given below:
Life Insurance:
The company - wise total premium for the life insurance sector for the last three years (2012-13, 2013-14, 2014-15) along with percentage growth is given in Annexure-I.
General Insurance:
Non-Life industry registered significant growth during the last three years. Industry as well as Insurer wise growth rate for the years 2012-13, 2013-14 and 2014-15 are given in Annexure-II.
Health Insurance:
Health insurance business portfolio which also includes Personal Accident Insurance, Overseas Travel Insurance and Domestic Travel Insurance, has registered significant growth over the past three years. Industry as well as Insurer wise growth rate is provided in Annexure-III.

(c): In life Insurance, the overall number of death claims payable rose marginally during the last three financial years (2012-13, 2013-14, 2014-15). The company wise details of life insurance death claims for the last three years are indicated for individual and group segments separately in the Annexure IV (a) and Annexure IV (b) respectively.

In case of general insurance, while for the period 2013-14, the number of claims reported increased by 10.53% as compared to the year 2012-13, the figure had decreased by 13.74% in the financial year 2014-15 as compared to 2013-14. The company wise details of number of claims reported for the last three years (2012-13, 2013-14, 2014-15) are indicated in Annexure V.
The company wise details on number of Health Insurance claims etc. during the last three financial years are indicated in Annexure VI.

(d): IRDAI has taken the following steps to protect the interest of customers and timely settlement of claims
i. Through the IRDA (Protection of Policy Holders Interests) Regulations, 2002, IRDAI has prescribed claim settlement procedure, timelines to be observed and penal interest payment in case of delayed settlement. IRDAI reviews and monitors the claims settlement performance of all insurers every quarter.
ii. IRDAI does both offsite monitoring and periodical onsite inspection on the basis of aberrations reported by the complainants and initiates regulatory action wherever it deems necessary.
iii. IRDAI has put in place an Integrated Grievance Management System (IGMS) for real time monitoring of the policy related (including claims) grievances from consumers. Under IGMS, IRDAI plays a facilitative role in resolution of policyholder grievances (including grievances on claims).
iv. The Central Government has framed Redressal of Public Grievances Rules (RPG Rules), 1998 to resolve complaints related to settlement of claims on the part of insurance companies in cost effective, efficient and impartial manner through the mechanism of Insurance Ombudsman. Currently, there are 17 insurance ombudsman offices spread over the country for this purpose.
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